

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02060A  
Cordes Lakes Water Company  
PO Box 219  
Tempe, AZ 85280

RECEIVED

APR 19 2011

ACC UTILITIES DIRECTOR

**ANNUAL REPORT**  
**Water**

**FOR YEAR ENDING**

12	31	2010
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FOR COMMISSION USE

ANN 04	10
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4-25-11

## COMPANY INFORMATION

Company Name (Business Name) <u>Cordes Lakes Water Company</u>			
Mailing Address <u>PO Box 219</u>			
<u>Tempe</u> (City)		<u>AZ</u> (State)	<u>85280</u> (Zip)
<u>480-966-5804</u> Telephone No. (Include Area Code)	<u>480-967-7857</u> Fax No. (Include Area Code)	<u>—</u> Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>PO Box 219</u>			
<u>Tempe</u> (City)		<u>AZ</u> (State)	<u>85280</u> (Zip)
<u>480-966-5804</u> Local Office Telephone No. (Include Area Code)	<u>480-967-7857</u> Fax No. (Include Area Code)	<u>—</u> Cell No. (Include Area Code)	
Email Address _____			

## MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input type="checkbox"/> Management Contact: <u>None</u>			
(Name)		(Title)	
_____ (Street)		_____ (City)	_____ (State)
_____ (Zip)			
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address _____			
On Site Manager: <u>Don Ross</u>			
(Name)			
<u>PO Box 219</u> (Street)		<u>Tempe</u> (City)	<u>AZ</u> (State)
<u>85280</u> (Zip)			
<u>928-713-1959</u> Telephone No. (Include Area Code)	<u>480-967-7857</u> Fax No. (Include Area Code)	<u>928-713-1959</u> Cell No. (Include Area Code)	
Email Address <u>support@arizonawaterworks.com</u>			

Statutory Agent: Neil Folkman  
(Name)  
2501 E. Palo Verde Phoenix AZ 85012  
(Street) (City) (State) (Zip)  
480-966-5804 480-962-7857  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)  
Attorney: \_\_\_\_\_  
(Name)  
\_\_\_\_\_  
(Street) (City) (State) (Zip)  
\_\_\_\_\_  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)  
Email Address support@arizonawaterworks.com

**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

**COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input checked="" type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME

Cordes Lakes Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	35,665	0	35,665
304	Structures and Improvements	6,657	1,109	5,548
307	Wells and Springs	167,348	25,920	141,428
311	Pumping Equipment	26,588	12,611	13,977
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	141,632	15,526	126,106
331	Transmission and Distribution Mains	15,099	1,550	13,549
333	Services			
334	Meters and Meter Installations	70,842	25,213	45,629
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	59,315	19,092	40,223
340	Office Furniture and Equipment	4,496	1,496	2,994
341	Transportation Equipment	69,049	69,049	0
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>616,035</b>	<b>190,917</b>	<b>425,088</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Cordes Lakes Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	35,665		
307	Wells and Springs	6,657	3.33	222
311	Pumping Equipment	167,348	3.33	5573
320	Water Treatment Equipment	26,588	12.50	
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	141,632	2.22	3,323
333	Services	15,099	2.22	335
334	Meters and Meter Installations			
335	Hydrants	70,842	8.30	5,880
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	59,315	6.67	3,956
341	Transportation Equipment	4,490	6.67	299
343	Tools, Shop and Garage Equipment	69,049	20.00	13,810
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	616,035		33,398

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

COMPANY NAME Cordes Lakes Water Company

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 11,441	\$ 8,345
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 11,441	\$ 8,345
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 591,997	\$ 616,035
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	< 96,528 >	< 190,917 >
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 495,419	\$ 425,118
	<b>TOTAL ASSETS</b>	\$ 506,860	\$ 433,463

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME

Cordes Lakes Water Company

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 18,902	\$ 23,726
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	42,833	17,360
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 61,735	\$ 41,086
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	79,369	79,369
272	Less: Amortization of Contributions	(27,780)	(31,965)
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 51,589	\$ 47,404
	<b>TOTAL LIABILITIES</b>	\$	\$
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 100,000	\$ 100,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	284,489	244,923
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$	\$
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 492,813	\$ 433,463

COMPANY NAME

Cordes Lake Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 436,736	\$ 447,015
460	Unmetered Water Revenue		
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$ 436,736	\$ 447,015
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 158,079	\$ 155,249
610	Purchased Water		
615	Purchased Power	30,697	29,365
618	Chemicals		
620	Repairs and Maintenance	11,116	17,221
621	Office Supplies and Expense	16,118	15,179
630	Outside Services	29,780	24,031
635	Water Testing	10,604	7,111
641	Rents	32,960	30,225
650	Transportation Expenses	8,594	9,821
657	Insurance - General Liability	7,834	17,860
659	Insurance - Health and Life	41,088	39,764
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	26,029	26,644
403	Depreciation Expense	13,810	33,398
408	Taxes Other Than Income	31,080	36,724
408.11	Property Taxes	15,763	16,447
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 433,552	\$ 459,039
	<b>OPERATING INCOME/(LOSS)</b>	\$ <3,184>	\$ <12,024>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 77	\$
421	Non-Utility Income	14,213	4,185
426	Miscellaneous Non-Utility Expenses		8,738
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 14,294	\$ 12,923
	<b>NET INCOME/(LOSS)</b>	\$ 11,110	\$ 899



COMPANY NAME

Cordes Lakes Water Company

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End\$ 23,726

Meter Deposits Refunded During the Test Year\$ 25,853

COMPANY NAME	Cordes Lakes Water Company	
Name of System:	ADEQ Public Water System Number:	

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-690346	7½	214	404	14	3	1972
55-518196	7½	500	500	8	3	
55-609234	2	555	555	6	3	
55-609347	7½	500	500	12	3	
55-565855	7½	343	343	10	3	

\* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7½	8		
5	5		
10	2		
2½	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
45,000	2	5000	4
30,000	2	3000	1
16,000	1		
100,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Cordes Lakes Water Company
Name of System:	ADEQ Public Water System Number: A204-13023

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	168,000
5		
6	PVC	234,000
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	
3/4	1384
1	5
1 1/2	
2	1
Comp. 3	
Turbo 3 (well)	6
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT: Emergency Chlorinators

STRUCTURES: Pump Houses - Concrete Block or Wood at each well site.

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	<u>Cordes Lakes Water Company</u>
Name of System:	ADEQ Public Water System Number: <u>A 204-13023</u>

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	1304	4.312	5963	
FEBRUARY	1306	3976	6120	
MARCH	1315	3439	6448	
APRIL	1304	5911	7997	
MAY	1310	5637	7839	
JUNE	1312	6810	9125	
JULY	1312	8263	9012	
AUGUST	1310	5321	7973	
SEPTEMBER	1305	6240	6583	
OCTOBER	1300	4888	5744	
NOVEMBER	1303	4190	4954	
DECEMBER	1300	4486	5836	
TOTALS →		64,025	80,595	Ø

What is the level of arsenic for each well on your system? 13 PPB ~~mg/L~~  
*(If more than one well, please list each separately.)*

If system has fire hydrants, what is the fire flow requirement? \_\_\_\_\_ GPM for \_\_\_\_\_ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
☒ Yes                      (   ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
(   ) Yes                      ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
(   ) Yes                      ☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*


COMPANY NAME:

Cordes Lakes Water Company

Name of System:

ADEQ Public Water System Number: A204-1302B

UTILITY SHUTOFFS / DISCONNECTS

MONTH		Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY				
FEBRUARY				
MARCH				
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
OCTOBER				
NOVEMBER				
DECEMBER				
TOTALS →				

OTHER (description): We do not keep this info but all terminations are with a notice.

COMPANY NAME Cordes Lakes Water Co YEAR ENDING 12/31/2010

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 16,447

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

RECEIVED  
APR 18 2011  
ACCUUTILITIES DIRECTOR

**VERIFICATION**

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Neil Folkman Vice President</u>
COMPANY NAME	<u>Cordes Lakes Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

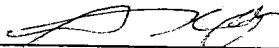
MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

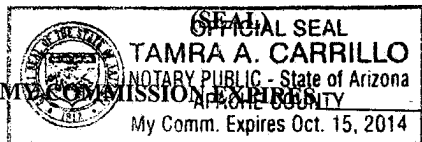
  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
480-966-5804  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14 DAY OF April

COUNTY NAME <u>Apache</u>	
MONTH <u>April</u>	.20 <u>11</u>



Tamra Carrillo  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

10-15-2014

COMPANY NAME Cordes Lakes Water Company YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0  
Estimated or Actual Federal Tax Liability                     

State Taxable Income Reported 0  
Estimated or Actual State Tax Liability                     

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0  
Amount of Gross-Up Tax Collected                       
Total Grossed-Up Contributions/Advances                     

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

4-13-11  
DATE

Neil Folkman  
PRINTED NAME

Vice President  
TITLE



VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

RECEIVED  
APR 16 2011  
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Neil Folkman, V.P.</u>
COMPANY NAME
<u>Cordes Lakes Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 447,015

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 29,165  
IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

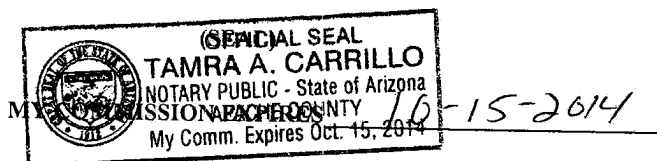
THIS

14

DAY OF

COUNTY NAME
<u>Apache</u>
MONTH <u>April</u>
<u>2011</u>

Neil Folkman  
SIGNATURE OF OWNER OR OFFICIAL  
480-9166-5804  
TELEPHONE NUMBER



Tamra Carrillo  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE**  
Intrastate Revenues Only

RECEIVED  
APR 13 2011  
ACC UTILITIES DIRECTOR

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Yavapai</u>	
NAME (OWNER OR OFFICIAL) <u>Neil Folkman</u>	TITLE <u>VP</u>
COMPANY NAME <u>Cordes Lakes Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH <u>12</u>	DAY <u>31</u>	YEAR <u>2010</u>
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

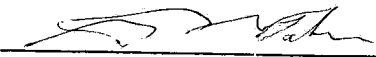
\$ 447,015

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 29,165

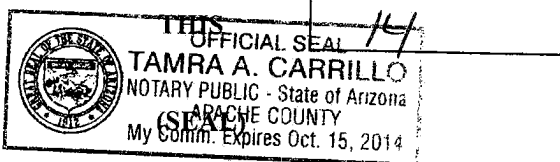
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

  
SIGNATURE OF OWNER OR OFFICIAL  
480-966-5804  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



DAY OF

NOTARY PUBLIC NAME <u>Tamra Carrillo</u>	
COUNTY NAME <u>Apache</u>	
MONTH <u>April</u>	.20 <u>11</u>

MY COMMISSION EXPIRES

10-15-2014

  
SIGNATURE OF NOTARY PUBLIC